

COMMONWEALTH BUREAU OF CENSUS AND STATISTICS

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SPECIAL BUSINESS SURVEY NO. 12PRIVATE PENSION AND RETIRING ALLOWANCE SCHEMES1955-56 TO 1958-59

In this statement are given the results of a survey relating to the year 1958-59, of separately constituted private pension funds operated by a small number of large companies or groups of companies.

In respect of 1955-56, the Bureau conducted a sample survey of pension and retiring allowance schemes in private businesses subject to pay-roll tax, other than in rural industries. Government airlines and banks were also included where they had established their own funds and did not contribute to the Commonwealth or State superannuation funds, but statutory coal miners' pension funds were excluded. Details were asked for pension and retiring allowance schemes operated through life assurance offices, schemes operated through separately constituted funds, and for direct payments of pensions and retiring allowances.

The private pension funds included in the 1958-59 survey of selected large funds would have accounted, in 1955-56, for about 30 per cent. of the income and outlay of the funds covered by the more comprehensive sample survey and about 35 per cent. of the total assets. Since the survey of selected larger funds is not a representative sample it is not known to what extent the share of the whole field has changed since the 1955-56 survey.

The results of the 1955-56 survey are available in Finance Bulletin No. 47 Part 1. A detailed analysis of the operations of government and semi-governmental superannuation funds is also available each year in Part 1 of the Finance Bulletin. Since January, 1960 the Australian Life Assurance Statistics Monthly Bulletin has contained some information on the superannuation business of the ordinary departments of life assurance offices.

This year it has been necessary to revise the survey of larger funds back to 1955-56. Several additional funds have been included, and a number of amendments have been made. As a result the figures now shown are not comparable with those published last year, but the trends noted in previous years are unchanged. Income from rent, interest and dividends has been rising faster than both employer and employee contributions and it is now the largest item of income. Of the assets of the surveyed funds, 47 per cent. were held in company shares and debentures, compared with only 40 per cent. in 1957-58. The holdings of local and semi-government securities increased slightly but fell as a proportion of total assets. Holdings of Commonwealth bonds decreased.



INCOME AND EXPENDITURE OF PRIVATE PENSION FUNDS (a)

(\$m.)

	Sample Survey (b) 1955-56	Selected Large Funds			
		1955-56	1956-57	1957-58	1958-59
<u>Income</u>					
Contributions - employees	5.8	2.2	2.4	2.7	2.8
- employers	13.2	3.7	4.0	4.0	4.1
Interest, rent and dividends	6.8	2.6	3.1	3.7	4.2
Other Income (c)	.7	.1	.1	.8	.7
<u>TOTAL</u>	26.5	8.6	9.6	11.2	11.8
<u>Expenditure</u>					
Pensions, retiring allowances and refunds	5.9	1.9	(e)	(e)	3.0
Other outlay (d)	1.1	-	(e)	(e)	.1
<u>TOTAL</u>	7.0	1.9	2.4	2.6	3.1
<u>Increase in fund</u>	19.5	6.7	7.2	8.6	8.7

ASSETS OF PRIVATE PENSION FUNDS (a)

(\$m. at book values)

	Sample Survey (b) June, 1956	Selected Large Funds			
		June, 1956	June, 1957	June, 1958	June, 1959
Cash and bank balances	13.0	2.8	2.6	2.6	2.5
Commonwealth bonds	51.3	11.9	11.9	11.2	8.9
Local and semi-govt. securities	41.9	18.7	21.2	24.0	24.7
Loans on mortgage	11.7	6.9	7.7	8.0	8.6
Company shares and debentures	39.4	20.8	24.8	30.9	40.4
Other assets (net)	11.0	.2	.3	.4	.7
<u>TOTAL</u>	168.3	61.3	68.5	77.1	85.8

(a) See text for description of coverage.

(b) Excludes schemes operated through life assurance offices.

(c) Includes profit on sale or revaluation of assets.

(d) Includes loss on sale or revaluation of assets.

(e) Not available separately.

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